108TH CONGRESS 1ST SESSION

H. R. 1088

To enhance the capacity of organizations working in the United States-Mexico border region to develop affordable housing and infrastructure and to foster economic opportunity in the colonias.

IN THE HOUSE OF REPRESENTATIVES

March 5, 2003

Mr. Bonilla (for himself and Mr. Ortiz) introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To enhance the capacity of organizations working in the United States-Mexico border region to develop affordable housing and infrastructure and to foster economic opportunity in the colonias.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 **SECTION 1. SHORT TITLE.**
- 4 This Act may be cited as the "Colonias Gateway Ini-
- 5 tiative Act".

1 SEC. 2. COLONIAS GATEWAY INITIATIVE.

2	(a) Definitions.—In this section:
3	(1) Colonia.—The term "colonia" means any
4	identifiable community that—
5	(A) is located in the State of Arizona, Cali-
6	fornia, New Mexico, or Texas;
7	(B) is located in the United States-Mexico
8	border region;
9	(C) is determined to be a colonia on the
10	basis of objective criteria, including lack of po-
11	table water supply, lack of adequate sewage sys-
12	tems, and lack of decent, safe, and sanitary
13	housing; and
14	(D) was in existence and generally recog-
15	nized as a colonia before the date of enactment
16	of this Act.
17	(2) REGIONAL ORGANIZATION.—The term "re-
18	gional organization" means a nonprofit organization
19	or a consortium of nonprofit organizations with the
20	capacity to serve colonias.
21	(3) Secretary.—The term "Secretary" means
22	the Secretary of Housing and Urban Development.
23	(4) United states-mexico border re-
24	GION.—The term "United States-Mexico border re-
25	gion" means the area of the United States within
26	150 miles of the border between the United States

1 and Mexico, except that such term does not include 2 any standard metropolitan statistical area that has 3 a population exceeding 1,000,000. 4 (b) Grant Program.—To the extent amounts are 5 made available to carry out this section, the Secretary may make grants under this section to 1 or more regional orga-6 7 nizations to enhance the availability of affordable housing, 8 economic opportunity, and infrastructure in the colonias. 9 (c) Grants.— 10 (1) In General.—Grants under this section 11 may be made only to regional organizations selected 12 pursuant to subsection (d). 13 (2) Selection.—After a regional organization 14 has been selected pursuant to subsection (d) to re-15 ceive a grant under this section, the Secretary may 16 provide a grant to such organization in subsequent 17 fiscal years, subject to subsection (f)(2). 18 (d) Selection of Regional Organizations.— 19 (1) In General.—The Secretary shall select 1 20 or more regional organizations that submit applica-21 tions for grants under this section to receive such 22 grants. 23 (2) Competition.—The selection under para-24 graph (1) shall be made pursuant to a competition,

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which shall—

1	(A) consider the proposed work plan of the
2	applicant under subsection (f); and
3	(B) be based upon the criteria described in
4	paragraph (3).
5	(3) Criteria for the selection of a
6	grant recipient shall include a demonstration of the
7	extent to which the applicant organization has the
8	capacity to—
9	(A) enhance the availability of affordable
10	housing, economic opportunity, and infrastruc-
11	ture in the colonias by carrying out the eligible
12	activities set forth in subsection (g);
13	(B) provide assistance in each State in
14	which colonias are located;
15	(C) form partnerships with the public and
16	private sectors and local and regional housing
17	and economic development intermediaries to le-
18	verage and coordinate additional resources to
19	achieve the purposes of this section;
20	(D) ensure accountability to the residents
21	of the colonias through active and ongoing out-
22	reach to, and consultation with, residents and
23	local governments; and
24	(E) meet such other criteria as the Sec-
25	retary may specify.

1	(4) Distribution of funding.—In making
2	the selection under paragraph (1), the Secretary
3	shall ensure that—
4	(A) each State in the United States-Mexico
5	border region receives a grant under this Act;
6	and
7	(B) each State receives not less than 15
8	percent of the amounts appropriated to carry
9	out this Act.
10	(e) Advisory Board.—
11	(1) Membership.—The Secretary shall appoint
12	an Advisory Board that shall consist of 9 members,
13	who shall include—
14	(A) 1 individual from each State in which
15	colonias are located;
16	(B) 3 individuals who are members of non-
17	profit or private sector organizations having
18	substantial investments in the colonias, at least
19	1 of whom is a member of such a private sector
20	organization; and
21	(C) 2 individuals who are residents of a
22	colonia.
23	(2) Chairperson.—

1	(A) IN GENERAL.—The Secretary shall
2	designate a member of the Advisory Board to
3	serve as Chairperson for a 1-year term.
4	(B) Alternating Chairperson.—At the
5	end of the 1-year term referred to in subpara-
6	graph (A), the Secretary shall designate a dif-
7	ferent member to serve as Chairperson, ensur-
8	ing that the Chairperson position rotates to a
9	member from every State in which colonias are
10	located.
11	(3) Term.—Advisory Board members shall be
12	appointed for 2-year terms that shall be renewable
13	at the discretion of the Secretary.
14	(4) Compensation.—Advisory Board members
15	shall serve without compensation, but the Secretary
16	may provide members with travel expenses, including
17	per diem in lieu of subsistence, in accordance with
18	sections 5702 and 5703 of title 5, United States
19	Code.
20	(5) Functions.—The Advisory Board shall—
21	(A) assist any regional organization that
22	receives a grant under this section in the devel-
23	opment and implementation of its final work

plan under subsection (f);

1	(B) review and approve all final work
2	plans;
3	(C) assist the Secretary in monitoring and
4	evaluating the performance of any regional or-
5	ganization in implementing its final work plan;
6	and
7	(D) provide such other assistance as the
8	Secretary may request.
9	(f) Work Plans.—
10	(1) Application.—Each regional organization
11	applying for a grant under this section shall include
12	in its application a proposed work plan.
13	(2) Annual submission.—To be eligible to
14	continue receiving annual grants under this section
15	after selection pursuant to subsection (d), a regional
16	organization shall, on an annual basis after such se-
17	lection and subject to the determination of the Sec-
18	retary to continue to provide grant amounts to such
19	regional organization, submit a proposed work plan
20	to the Advisory Board and the Secretary for review
21	and approval.
22	(3) Final work plan.—In any fiscal year, in-
23	cluding the fiscal year in which any regional organi-
24	zation is selected pursuant to subsection (d), prior to

final determination and allocation of specific grant

amounts, each selected regional organization shall, with the assistance of the Advisory Board, develop a final work plan that thoroughly describes how the regional organization will use specific grant amounts to carry out its functions under this section, which shall include—

- (A) a description of outcome measures and other baseline information to be used to monitor success in promoting affordable housing, economic opportunity, and infrastructure in the colonias;
- (B) an account of how the regional organization will strengthen the coordination of existing resources used to assist residents of the colonias, and how the regional organization will leverage additional public and private resources to complement such existing resources;
- (C) an explanation, in part, of the effects that implementation of the work plan will have on areas in and around colonias; and
- (D) such assurances as the Secretary may require that grant amounts will be used in a manner that results in assistance and investments for colonias in each State containing colonias, in accordance with requirements that

the Advisory Board and the Secretary may establish that provide for a minimum level of such investment and assistance as a condition of the approval of the work plans.

(4) Approval.—

- (A) IN GENERAL.—No grant amounts under this section for a fiscal year may be provided to a regional organization until the Secretary approves the final work plan of the organization, including a specific grant amount for the organization.
- (B) Considerations.—In determining whether to approve a final work plan, the Secretary shall consider whether the Advisory Board approved the plan.
- (C) Nonapproval of Plan.—To the extent that the Advisory Board or the Secretary does not approve a work plan, the Advisory Board or the Secretary shall, to the maximum extent practicable, assist the selected regional organization that submitted the plan to develop an approvable plan.
- 23 (g) ELIGIBLE ACTIVITIES.—Grant amounts under 24 this section may be used only to carry out eligible activities 25 to benefit the colonias, including—

1	(1) coordination of public, private, and commu-
2	nity-based resources and the use of grant amounts
3	to leverage such resources;
4	(2) technical assistance and capacity building
5	including training, business planning and investment
6	advice, and the development of marketing and stra-
7	tegic investment plans;
8	(3) initial and early-stage investments in activi-
9	ties to provide—
10	(A) housing, infrastructure, and economic
11	development;
12	(B) housing counseling and financial edu-
13	cation, including counseling and education
14	about avoiding predatory lending; and
15	(C) access to financial services for resi-
16	dents of colonias;
17	(4) development of comprehensive, regional, so-
18	cioeconomic, and other data, and the establishment
19	of a centralized information resource, to facilitate
20	strategic planning and investments;
21	(5) administrative and planning costs of any re-
22	gional organization in carrying out this section, ex-
23	cept that the Secretary may limit the amount of
24	grant funds used for such costs; and

- 1 (6) such other activities as the Secretary con-
- 2 siders appropriate to carry out this section.
- 3 (h) Grant Agreements.—A grant under this sec-
- 4 tion shall be made only pursuant to a grant agreement
- 5 between the Secretary and a regional organization selected
- 6 under this section.
- 7 (i) TERMINATION AND RECAPTURE.—If the Sec-
- 8 retary determines that a regional organization that was
- 9 awarded a grant under this section has not substantially
- 10 fulfilled its obligations under its final work plan or grant
- 11 agreement, the Secretary shall terminate the participation
- 12 of that regional organization under this section, and shall
- 13 recapture any unexpended grant amounts.
- 14 (j) Details From Other Agencies.—Upon re-
- 15 quest of any selected regional organization that has an ap-
- 16 proved work plan, the head of any Federal agency may
- 17 detail, on a reimbursable basis, any of the personnel of
- 18 such agency to that regional organization to assist it in
- 19 carrying out its duties under this section.
- 20 (k) Environmental Review.—For purposes of en-
- 21 vironmental review, projects assisted by grant amounts
- 22 under this section shall—
- 23 (1) be treated as special projects that are sub-
- ject to section 305(c) of the Multifamily Housing

Property Disposition Reform Act of 1994 (42 U.S.C. 1 2 3547); and 3 (2) be subject to regulations issued by the Sec-4 retary to implement such section 305(c). 5 (l) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this sec-6 7 tion— 8 (1) \$16,000,000 for fiscal year 2004; and 9 (2) such sums as may be necessary for each of 10 fiscal years 2005 through 2009.

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this section after September 30, 2009.

(m) SUNSET.—No new grants may be provided under